

Credit Card Services RFP Questions

NOTE: Similar questions have been consolidated

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1. For the total of the 130 cardholders, please provide the 2004 spend dollars and number of transactions.

A. For calendar year 2004, the net dollars spent by cardholders was \$667,210. The number of individual transactions is an average of 319 per month, or 3828 annual transactions. For calendar year 2005, the net dollars spent by cardholders was \$278,221. The number of individual transactions is an average of 294 per month, or 3528 annual transactions.

2. Who is the current provider for credit card services?

A. Chittenden Bank Credit Card Services

3. Can the State provide spend statistics for the past three years?

**A. 2003 -- Avg Monthly Charges of \$46,230 from 223 transactions.
2004 -- Avg Monthly Charges of \$55,600 from 319 transactions.
2005 -- Avg Monthly Charges of \$23,185 from 294 transactions.**

4. Would you please clarify question 21 regarding "Ghost Cards"? Is it referring to a combined statement showing activity of multiple cardholders in the same department or agency? Or is it referring to a card in the name of an agency, for example, that could be shared by multiple individuals? Or is it referring to agents using alias names?

A. "Ghost Cards" refers to a card in the name of an agency or department that would be shared by multiple individuals within that agency or department.

5. What is the anticipated annual purchasing volume for the State?

**A. The prior three-year annual net purchasing volume is as follows:
2003 -- \$554,762
2004 -- \$667,210
2005 -- \$278,221**

We are unable to estimate future travel-related expenses at this time. Various initiatives have been put into place to reduce travel-related expenses, accounting for a significant portion of the reduction from calendar year 2004 to 2005. However, given rising fuel and transportation-related charges, we would anticipate some upward movement in the current and subsequent years.

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6. What is your estimated average dollar amount per transaction?
- A. While we cannot predict the average dollar amount per transaction going forward, the prior three-year average dollar amount per transaction are as follows:**
- 2003 -- \$207.31 per transaction.**
 - 2004 -- \$174.30 per transaction.**
 - 2005 -- \$ 78.86 per transaction.**
7. Are you opposed to Joint and Several Liability if a firm does not currently offer credit card services with an Individual Liability structure?
- A. Yes. The liability is the responsibility of the individual cardholder.**
8. Who will assume liability for the credit card program? Will the state assume the liability or will the individual cardholders have liability for the credit exposure?
- A. The State is not responsible for travel costs charged to the State credit card; each credit card holder is financially responsible.**
9. How many cardholders do you expect on the program? Will the State of Vermont mandate employees to use these credit cards for travel-related purchases?
- A. The program currently has approximately 130 cardholders enrolled. Employees who use the State credit card in lieu of personal credit cards or cash travel advances should use the State credit card only for reimbursable expenses while on State business.**
10. Has any consideration been given to using the state's existing credit card program and simply issuing additional cards for employee travel?
- A. The purpose of the travel card program is to reduce the issuance of travel advances to State employees by the Treasurer's Office and to provide a more efficient accounting of expenses. An appointing authority may request a State credit card for those employees who, in the performance of their duties, are normally or regularly required to travel. The State of Vermont procurement card program is a separate program. We have considered consolidation, but because each program has specific and varying restrictions on purchases, we have determined that consolidation is not practical at this time.**